

Shortway, Kendall B.

From: Mahmood Ahmad <drahmad@unitedpaincare.com>
Sent: Friday, May 24, 2013 7:02 AM
To: Shortway, Kendall B.
Cc: rx@unitedpharmacyrx.com
Subject: Pharmacy Audit

Dear Kendall,

I mentioned during our meeting that I do not manage the pharmacy as I do not have professional qualifications of a pharmacist. However, being the owner of the pharmacy, any violations which are assessed against the pharmacy are ultimately applicable to the company (which I own) since the pharmacist is an employee.

Due to this scenario, I have to get involved in the audit process. Therefore, after you left I sat down with Andy to identify the possible causes of the mismatch in the numbers. The cycle is as follows

1. Order is placed and a 222 Form is generated
2. Order is received and noted on the 222 Form
3. Quantities received are added into the Rx 30 software
4. Quantities dispensed are automatically deducted from the Rx 30 software
5. Quantities on the shelf must match the balance in the software report
6. All generics must be grouped together for the drug name/type/strength regardless of NDC

Andy mentioned during our meeting yesterday that he has to use different NDC combinations when filling scripts because of the limited stock he has available. After Andy does that he updates quantities against the NDC so that he would know what is left. However, while doing that he does not adjust the NDC which was short. In other words the dispensing occurred from a single NDC whereas a combination of physical NDC's was used. This is the reason for mismatch of numbers. Andy performed this action in "good faith" however, this action caused the overage in stock which is a "virtual overage" not a "physical overage".

In order to test this hypothesis and have a fair assessment of physical and reported counts we have to do the following prospective audit

1. Examine the current "displayed" quantities of the counts in each generic drug/strength category
2. Capture the screens and make a total of all NDC's for each category
3. Do a physical count of the inventory
4. Input the physical amount of the inventory in the software
5. Capture the screens again and make a total of all NDC's for each category
6. The difference between 2 and 5 is our existing error between the virtual count and physical count
7. From that date onwards we will only "add" new stock received
8. From that date onwards we will not adjust any NDC regardless of the combination of NDC's used for any dispensing episode
9. After a 4 week period we match the software count added, dispensed and remaining for each category
10. If the remaining physical count matches the remaining software count, then the problem is identified



If there is an incidence where medications are spilled or there was a counting error those would be recorded separately. They will not be entered into the system.

I hope this is an acceptable scenario to give a fair chance to me as non-pharmacist owner and also to Andy who was not trained in the computer age and the Rx 30 software was a completely new software for him. Furthermore, the outgoing pharmacist Pamela West did not provide him an in-service and did not cooperate with Andy. The learning process has occurred "on the go" and the "do's and dont's" on the software was never taught to Andy.

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Sincerely

Dr. Mahmood Ahmad

Pain Medicine Fellowship - Yale University

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